



Billing Code 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 12-33)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English,
DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 12-33 with attached transmittal, and policy justification.

Dated: August 10, 2012.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

JUL 31 2012

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 12-33, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to the Republic of Brazil for defense articles and services estimated to cost \$233 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in cursive script, reading "Richard A. Genaille, Jr.".

Richard A. Genaille, Jr.
Deputy Director

Enclosures:

1. Transmittal
2. Policy Justification



Transmittal No. 12-33

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)

Of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Brazil

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 98 million
Other	<u>\$ 135 million</u>
TOTAL	\$ 233 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 26 Assault Amphibious Vehicles (AAVs)/Reliability, Availability and Maintainability/Rebuild to Standard (RAM/RS), with ancillary equipment, and machine guns. Also included are the upgrade of Brazil's existing AAVs to the RAM/RS configuration, weapons and ammunition, spare and repair parts, support equipment, tools and test equipment, technical data and publications, personnel training and training equipment, U.S. Government and contractor engineering, technical, and logistics support services, and other related elements of logistics support.

(iv) Military Department: Navy (LDG, LDH)

(v) Prior Related Cases:

FMS case SBX-\$35M-2Dec91

FMS case SBY-\$5M-19Jun92

(vi) Sales Commission, Fee, etc., Paid, Offered or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None

(viii) Date Report Delivered to Congress: 31 Jul 2012

POLICY JUSTIFICATION

Brazil – Assault Amphibious Vehicles

The Government of Brazil has requested the possible sale of 26 Assault Amphibious Vehicles (AAVs)/Reliability, Availability and Maintainability/Rebuild to Standard (RAM/RS), with ancillary equipment, and machine guns. Also included are the upgrade of Brazil's existing AAVs to the RAM/RS configuration, weapons and ammunition, spare and repair parts, support equipment, tools and test equipment, technical data and publications, personnel training and training equipment, U.S. Government and contractor engineering, technical, and logistics support services, and other related elements of logistics support. The estimated cost is \$233 million.

The proposed sale will contribute to foreign policies and national security of the United States by helping to improve the security of Brazil which has been, and continues to be, an important force for political stability and economic progress in South America.

Brazil will use this equipment to augment its current inventory of amphibious vehicles and to modernize and strengthen its Naval operational amphibious capability in support of national defense objectives. Brazil will have no difficulty absorbing these vehicles into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The AAVs will be procured through a competitive procurement. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Brazil.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.